

March 19, 2015
Maine Milk Commission Meeting Minutes
Deering Building, Room 233
Augusta, Maine 04333

Notices for the March 19, 2015 meeting were distributed to Commission members, intervenors and other interested parties on February 20, 2015 and sent to the Secretary of State's Office for posting on February 20, 2015.

Commission Present: Mike Wiers, Colon Durrell, Richard Cook, Stanley Millay and Matt Randall

Commission Absent: None

Department Officials: None

Staff Present: Tim Drake, Executive Director, Audrey Shorty and Josh Panek, Resource Administrators and Carol Gauthier, Office Associate

Legal Counsel: Not Present

Others Present: Doug Carr of Oakhurst Dairy, John Blake, H.P. Hood, Julie-Marie Bickford and Dale Cole of MDIA, Clayton Davis, DFA/DMS, Bill Randall and Jordan Clark of Agri-Mark, Dylan Bouchard and Gary Anderson from the University of Maine and Michelle Leczynski, Delhaize America.

Chairman Wiers called the meeting to order at 10:31 a.m.

Agenda Item 1: Minutes: Matt Randall made a motion to accept the minutes of the February 20, 2015 meeting as presented. Stanley Millay seconded the motion. Motion passed 4-0.

Agenda Item 2: Lauren Parker, Assistant Attorney General:

Agenda Item 3: Minimum Prices:

Tim Drake reported that a prevailing premium of \$1.10/cwt. on Class I for April 2015, Dairy Marketing Services (DMS) and Agri-Mark Co-op had been reported. In addition to this premium, DMS and Agri-Mark reported that an additional \$0.43/cwt for milk that comes from producers who do not treat their cows with the rBST hormone will be in effect. Federal Order One Class I price for April is \$18.75, a decrease of \$0.06/cwt. He explained that a schedule was prepared using this information plus a producer cost of production adjustment (COPA) of \$1.35/cwt. He stated that this price schedule was for informational purposes and that the Commission was not bound to it, and should make their pricing determination after hearing testimony.

Chairman Wiers asked for testimony.

Dale Cole commented that there have been continuing decreases to the Class I price and asked that an increase in the producer margin be considered as it is important to get more money to the farms with planting season coming.

No other testimony was offered.

Stan Millay made a motion to accept order #04-15 with a producer margin of \$1.35/cwt.

Colon Durrell seconded the motion.

Chairman Wiers called for a vote on the motion. The motion passed 4-0.

Agenda Item 4: Maine Monthly Price Survey: The Commission reviewed the Maine price survey for March 2015 which showed retail prices for Augusta, Scarborough, South Portland, Brunswick, Biddeford, Bangor and Brewer. The IAMCA survey for January and February 2015 were also reviewed.

Agenda Item 5: Next Scheduled Meetings:

- April 23, 2015, 10:30 a.m.
Room 233, Department of Agriculture, Conservation and Forestry, Augusta ME
- May 21, 2015, 10:30a.m.
Room 319, Department of Agriculture, Conservation and Forestry, Augusta ME
- June 18, 2015, 10:30 a.m.
Room 319, Department of Agriculture, Conservation and Forestry, Augusta ME
- July 23, 2015, 10:30 a.m.
Room 233, Department of Agriculture, Conservation and Forestry, Augusta ME

Agenda Item 6: Other:

1. **Monthly Financial Report:** A current financial report was not available.
2. **2014 Cost of Production study preliminary report:** Gary Anderson and Dylan Bouchard from the University of Maine reported the preliminary findings of the current cost of production study. The study consisted of surveying 45 dairy farms in Maine to collect financial data, organic farms were not included. The straight production expenses for each of the tiers are; tier one - \$26.25, tier two - \$23.58, tier three - \$23.23 and tier four - \$21.47. The average cost of production for all size farms is \$24.35. The commission members expressed a desire to keep the process simple and instructed Tim Drake to research past methods and instruct Mr. Anderson to write a final report accordingly. Tim Drake also requested permission to initiate the rulemaking process.

Agenda Item 7: Executive Session: None

Adjourned: Adjourned; 11 a.m. March 19, 2015.
Tim Drake, Maine Milk Commission